OCI No. 2393/63

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 23 July 1963

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Insurgency in South Vietnam and Laos

1. South Vietnam

a. There has been no significant change in the military situation, although after a two-week decline the level of Viet Cong activity increased slightly during the week ending 20 July. The step-up, which included several incidents aimed at US personnel, probably was related to the Hanoi-proclaimed "anti-US" week marking the anniversary of the 1954 Geneva accords. The hightened pace is apparently being maintained this week, particularly in the delta south of Saigon.

b. Government troops countered unusually firm resistance from regular Viet Cong battalions on 20 July south of Saigon and on 22 July north of the city in a Communist base area. During the 20 July operation, some jamming of government radio nets was reported. There have been sporadic indications of a Viet Cong capability in this field in the past three or four months.

c. A resolution of the dispute between the government and the Buddhists remains in doubt. The government has made several conciliatory gestures to meet Buddhist demands in recent days, but Buddhist leaders continue highly distrustful of government sincerity and may keep up dramatic protests. A Viet Cong effort to stage a purported Buddhist demonstration in the provinces was reported on 15 July, but there is still no evidence of significant Viet Cong influence in Buddhist agitation against the government.

2. Laos

a. On 17-18 July, Communist artillery firing against neutralist positions in the Plaine des Jarres area reached the highest level in several weeks, and was accompanied by a limited and unsuccessful probing attack northeast of the Plaine des Jarres airfield. The light damage inflicted and the failure to pursue the attack suggest that the action was not a prelude to a serious offensive and that the Communists are still seeking primarily to maintain pressure on the neutralists.

there has been considerable Pathet Lao convoy activity east of the Plaine des Jarres in recent weeks. The Communists are continuing to spread rumors that they are preparing for large-scale attacks in the Plaine des Jarres and other areas if negotiations do not bring results satisfactory to them. These developments collectively have heightened expectations of FAR and neutralist forces that a large-scale attack may occur at any time, and planning is under way to improve neutralist-FAR cooperation and capabilities for counteraction.

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